

Message Text

CONFIDENTIAL

PAGE 01 TOKYO 04128 311028Z

10

ACTION EA-10

INFO OCT-01 ISO-00 IO-10 AID-05 SR-02 ORM-01 CIAE-00

DODE-00 PM-03 H-02 INR-07 L-02 NSAE-00 NSC-05 PA-01

PRS-01 SP-02 SS-15 USIA-06 OMB-01 TRSE-00 EB-07 /081 W

----- 043149

R 310900Z MAR 75

FM AMEMBASSY TOKYO

TO SECSTATE WASHDC 9032

INFO AMEMBASSY SAIGON

C O N F I D E N T I A L TOKYO 4128

E.O. 11652: GDS

TAGS: EAID, JA, VS

SUBJECT: JAPANESE AID TO SOUTH VIETNAM

1. ON MARCH 28 EMBOFF REVIEWED WITH FONOFF REPS IN ECONOMIC COOPERATION AND ASIAN AFFAIRS BUREAUS STATUS OF PENDING GOJ LOAN AND GRANT AID TO SOUTH VIETNAM. THEY PROVIDED FOL-
LOWING INFO:

2. ACCORDING TO SEZAKI, DEPUTY DIRECTOR, FIRST ECONOMIC COOPERATION DIVISION, GOJ AND GVN EXCHANGED NOTES ON 28 MAR WHICH COMMIT GOJ TO NEW COMMODITY LOAN OF 9 BILLION YEN (39.9 MILLION DOLLARS AT 291 YEN/DOLLAR). LOAN WILL BE UNTIED FOR LDC PROCUREMENT; TERMS WILL BE 2.75 PERCENT INTEREST, WITH REPAYMENT OVER THIRTY YEARS (INCLUDING TEN YEARS' GRACE). LIST OF COMMODITIES NOT YET COMPLETE SAID SEZAKI, BUT, WITH EYE ON QUICK DISBURSEMENT, SUB-
STANTIAL AMOUNT OF LOAN WILL BE FOR PURCHASE OF JAPANESE FERTILIZER. FONOFF ANTICIPATES GVN FINANCE MINISTER WILL COME TO TOKYO AROUND APRIL 10 TO SIGN LOAN AGREE-
MENT (NEXT STEP IN DISBURSEMENT PROCESS). HE MAY WELL REQUEST ADDITIONAL AID AT THAT TIME.

3. RE FUTURE AID, SEZAKI SAID FONOFF CONTEMPLATES NO NEW LOANS IN IMMEDIATE FUTURE, BUT PLANS TO REVIEW
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 TOKYO 04128 311028Z

SITUATION FOLLOWING RVN PRESIDENTIAL ELECTION SCHEDULED

FOR OCTOBER. ANY NEW LOAN AID WILL BE ONLY FOR COMMODITIES; GOJ EMBASSY SAIGON HAS RECOMMENDED, AND FONOFF CONCURS, THAT SECURITY SITUATION IN RVN AT PRESENT PRECLUDES GOJ PROJECT AID IN NEAR FUTURE. IN RECOGNITION OF PRESENT REALITIES, LOAN JUST AGREED TO WILL BE CHARACTERIZED BY GOJ AS AID FOR STABILIZATION OF ECONOMY AND WELFARE OF PEOPLE, RATHER THAN AS RECONSTRUCTION AND STABILIZATION AID.

4. RE INDOCHINA DONORS' MEETING, SEZAKI SAID FONOFF CONSIDERS IT MOST UNLIKELY THAT MEETING WILL BE HELD AS TENTATIVELY SCHEDULED IN JUNE, BUT THAT IF IT IS HELD GOJ WILL ATTEND.

5. TSUKADA, FIRST SOUTHEAST ASIA DEPUTY DIRECTOR, TOLD EMBOFF THAT NEGOTIATIONS RE NEW GOJ GRANT AID OF 7 BILLION YEN (24 MILLION DOLLARS) WERE IN QTE VERY FINAL STAGE UNQTE. GRANT WILL BE USED FOR PURCHASE OF BULLDOZERS, CONSTRUCTION MATERIALS FOR REFUGEE CENTERS, MEDICINES, AND VEHICLES FOR PROVISION OF HEALTH SERVICES. DURING EARLIER CONVERSATION, SEZAKI SAID SOME OF THIS GRANT AID WOULD HAVE GONE TO RFUGEE CAMPS IN AREAS NOW OVERRUN. THUS, GOJ IS NOW EXPLORING WITH GVN USES TO WHICH MONEY WILL BE PUT.
SHOESMITH

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC COOPERATION, FOREIGN ASSISTANCE, DEVELOPMENT LOANS
Control Number: n/a
Copy: SINGLE
Draft Date: 31 MAR 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: RowellE0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975TOKYO04128
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D750110-1051
From: TOKYO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t1975031/aaaaaafg.tel
Line Count: 86
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: RowellE0
Review Comment: n/a
Review Content Flags:
Review Date: 15 JUL 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <15 JUL 2003 by BoyleJA>; APPROVED <14 NOV 2003 by RowellE0>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: JAPANESE AID TO SOUTH VIETNAM
TAGS: EAID, JA, VS
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006